

# FINAL BILL REPORT

## SHB 2573

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C 103 L 06

Synopsis as Enacted

**Brief Description:** Adopting health information technology to improve quality of care.

**Sponsors:** By House Committee on Health Care (originally sponsored by Representatives Morrell, Wallace, Clibborn, Cody, Flannigan, Simpson, Green, Ormsby, Springer, Kilmer, Moeller, Kagi and Conway; by request of Governor Gregoire).

**House Committee on Health Care**  
**Senate Committee on Health & Long-Term Care**

### **Background:**

The State Health Care Authority (Authority) is the agency that administers state employee insurance benefits and the Basic Health Plan, which is the state subsidized health insurance program for low income persons. The Authority is also generally responsible for coordinating the study and implementation of state initiatives regarding health care cost containment. This includes using evidence-based medicine in its contracts in order to develop performance measures and financial incentives related to chronic disease and health information technology.

In 2005, the Authority established the Washington Health Information Infrastructure Advisory Board (Board). The Authority must collaborate with the Board to develop a strategy for the adoption and use of electronic medical records and health information technologies. The Authority and the Board have issued their preliminary report and the final report is due December 1, 2006.

### **Summary:**

When contracting for state-purchased health care and considering options for cost containment and delivery alternatives in state-purchased health care programs, the Authority must promote and increase the adoption of health information technology systems by hospitals, integrated delivery systems, and providers. The Authority may achieve this through reimbursement and state health purchasing strategies as well as pilot studies. The health information technology systems must:

- facilitate diagnosis or treatment;
- reduce unnecessary duplication of medical tests;
- promote efficient electronic physician order entry;
- increase access to health information for consumers and their providers; and
- improve health outcomes.

The Authority must coordinate a strategy for the adoption of health information technology systems based on the final report and recommendations of the Authority and Board due in

December 2006. It is the stated intent of the act to encourage all hospitals, integrated delivery systems, and providers to adopt health information technologies by 2012.

The Authority is authorized to accept grants, gifts, and other payments to implement authorized initiatives and strategies.

The Department of Corrections (Department) must create a demonstration project to establish an integrated electronic health records system to facilitate and expedite the transfer of inmate health information between state and local correctional facilities, if funded in the state budget. The project must be created with one county jail system, one city jail system located within that county, and one state prison. By December 2006, the Department must provide recommendations to the Legislature regarding the implementation of a statewide integrated electronic health records system for correctional facilities. The recommendations must include information from other demonstration projects about costs, anticipated savings, benefits, and required statutory changes.

**Votes on Final Passage:**

House	75	23	
Senate	45	2	(Senate amended)
House	83	12	(House concurred)

**Effective:** June 7, 2006